

VZCZCXRO7531  
RR RUEHAG RUEHDF RUEHIK RUEHLZ RUEHPD RUEHRN RUEHROV  
DE RUEHBS #0464/01 0881521  
ZNR UUUUU ZZH  
R 281521Z MAR 08  
FM USEU BRUSSELS  
TO RUEHC/SECSTATE WASHDC  
INFO RUCNMEU/EU INTEREST COLLECTIVE  
RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUEHSS/OECD POSTS COLLECTIVE  
RUEHUP/AMEMBASSY BUDAPEST  
RUEHFR/AMEMBASSY PARIS  
RUEHGV/USMISSION GENEVA

UNCLAS SECTION 01 OF 03 BRUSSELS 000464

SIPDIS

SENSITIVE  
SIPDIS

USAID FOR ODP AND E&E, BUDAPEST FOR USAID/RSC; PARIS FOR  
USOECD GEORGE CARNER

E.O. 12958: N/A

TAGS: [EAID](#) [EUN](#)

SUBJECT: EU APPROACHES TO DEVELOPMENT IN A POST-LISBON WORLD

REF: A. (A) 2008 BRUSSELS 00397  
[1](#)B. (B) 2008 BRUSSELS 00303  
[1](#)C. (C) 2008 BRUSSELS 3488

[1](#)1. (U) SUMMARY: Even as the Lisbon Treaty moves through the ratification process among individual EU states, discussions are underway in Brussels on what it will mean in any number of areas, including development. At a recent forum organized to address these concerns, there was widespread consensus that the Lisbon Treaty will give Europe a louder and more consistent voice on development. In addition, there is a strong sense that the Lisbon Treaty will make links between development and a range of other foreign policy issues-including trade, migration, agricultural policy, climate change and security-more explicit than ever before. This message, building on previous USEU reporting on the Treaty of Lisbon (REFTELS), is one in a series that is meant to put the forthcoming EU reforms in perspective and to assess their potential impact on our relations with the EU.  
END SUMMARY

[1](#)2. (U) While the Lisbon Treaty will affect many aspects of EU operations, there are particular provisions that will have a marked impact on EU foreign policy, including development assistance. Most notably, the post of High Representative for Common and Foreign Security Policy (currently held by Javier Solana) will be merged with that of Commissioner for External Relations and Neighborhood Policy (currently held by Benita Ferrero-Waldner) to create the new position of High Representative of the Union for Foreign Affairs and Security Policy who will serve simultaneously as chair of the influential General Affairs and External Relations Council and Vice-President of the European Commission. The new High Representative would have at his or her disposal a diplomatic service called the "European External Action Service" (EEAS), staffed by officials working at the Council and Commission as well as member states.

[1](#)3. (U) The new High Representative for Foreign Affairs and Security Policy would coordinate all of the EU's external policy areas, including foreign and security policies that currently fall under the remit of the Council, as well as those for which the Commission has competence, including development, trade, economic cooperation, and humanitarian aid. Some Europeans are concerned this new alignment will "politicize" European aid, while others argue it reflects a pragmatic reality and gives EU aid new importance.

[1](#)4. (U) EU officials, parliamentarians and representatives from the NGO and business community met recently in Brussels

for an expansive discussion on the future of European development assistance. Sponsored by leading Brussels think tank Friends of Europe, the event was titled: "Does the Treaty of Lisbon Promise a New Era for EU Development Aid?" Most participants, while dubious about prospects for a "new era," were cautiously optimistic that the Lisbon Treaty will give Europe the framework needed to speak with a louder and more cohesive voice.

15. (U) Gareth Thomas, UK Parliamentary Under Secretary of State for the Department of International Development, launched the discussion with the comment that "European development will be better because of Lisbon." Noting that Europe now contributes well over half of all official development assistance (and will contribute as much as two-thirds by 2010), Thomas stated that aid from the EU and its member states should reflect "common principles, common strategies and common objectives." He added that the Lisbon Treaty enshrines poverty alleviation as a major development concern.

16. (U) Perhaps the theme that recurred most often throughout the day was that the Lisbon Treaty will ensure that EU aid is more closely integrated with other foreign policy concerns, including trade, agricultural policy, migration, climate change and security. Most participants appeared to endorse this shift, though some NGOs expressed concern about the "politicization" of the EU aid effort.

17. (U) Comments by Members of Parliament participating reflected a continued concern that EU development funding is not visible enough, partly because of a heavy reliance on budget support. "All too often, the EU is a global payer but

BRUSSELS 00000464 002 OF 003

not a global player," stated Elmar Brok, an influential member of the European Parliamentary committee on Foreign Affairs, echoing a comment that is often heard in parliamentary circles in Brussels. He noted that the European public generally supports aid while also wanting more accountability and more evidence of results.

18. (U) Although the Lisbon Treaty will initiate a gradual reduction in the number of Commissioners, many participants supported the idea of designating one Commissioner with authority to handle the EU's entire aid portfolio. Such a Commissioner would also serve as a "strong, independent voice" on development issues. Others applauded the EU trend toward decentralization in the field, suggesting that EU development officials should play an important and in some cases central role when European "embassies" are established as part of the EU's new, post Lisbon foreign affairs structure.

19. (U) Patrick Child, Head of Cabinet for EU Commissioner for External Relations and European Neighborhood Policy Benita Ferrero-Waldner, stated that development policy had already been a "big success story" for the EU, claiming that Europe "leads the international debate." He cited three significant challenges: (1) member states should reach the 0.7 percent of GDP aid contribution target (only five of 27 EU countries meet this goal); (2) cohesion is needed, both within the EU and among bilateral assistance programs; and (3) strategic links must be made between development assistance and other pressing foreign policy concerns.

110. (U) Simon Stocker, Director of Eurostep, a network of European development NGOs, commented that Lisbon is important because it will place "development at the center of Europe's relations with less developed countries". Although Lisbon recognizes poverty alleviation as a central goal, it also highlights the importance of security and good governance. Stocker suggested that European aid programs are often too dependent on the personalities of those involved, rather than relying on effective systems and structures. He further suggested that accountability concerns were not adequately

dealt with in the Lisbon treaty, adding that the Commission is slated to receive more power while oversight responsibility by parliament will remain limited.

¶11. (U) Many participants expressed interest in the "architecture" and "structure" of European development institutions following approval of the Lisbon Treaty. However, the several EU officials present offered little more than speculation, emphasizing that it is inappropriate to comment on implementation mechanisms until the treaty is first ratified.

¶12. (U) References to the "architecture of aid" quickly turned to a discussion on accountability and authority. All agreed that it was increasingly difficult to put forward a cohesive and effective institutional response in an ever more complex world. "The principal of subordination won't work," one participant claimed, cautioning against the tendency to evoke centralization or a consolidation of authority as the answer to every problem. "Rather, any new Commissioner with a lead foreign policy role will have to manage the interplay between many different organizations and elements, all representing different aspects of foreign policy."

¶13. (U) Several other points were briefly mentioned. For example, one businessman suggested that the EU needs to better understand the relationship between private business and economic development. Similarly, a representative from a Baltic embassy insisted the Eastern Europe experience is relevant in the developing world, suggesting there should be scope for emerging donors with this kind of experience to play a more active role in the EU's development approach in the future. Finally, there was a recurring sense that implementation is the biggest challenge of all. Citing a number of declarations and other official documents that have been issued in recent years ranging from Monterey to Paris, there was an empathic suggestion on the part of some that there is "no need for any more declarations; now is the time to move on".

¶14. (SBU) COMMENT: Perhaps the most interesting aspect of this discussion was the extent to which development

BRUSSELS 00000464 003 OF 003

discussions in Europe mirror those that often take place in policy and academic circles in the US. There is a strong sense that development is more closely linked than ever to a range of vital foreign policy issues, including migration, trade, agriculture and security. Issues of coordination, effectiveness and accountability also represent important areas of concern. That said, discussions on the "architecture" of foreign assistance typically lead to the conclusion that there is ultimately no one, best institutional approach. On the contrary, every new structure is less than perfect and usually leads to a new and different set of issues and concerns. Optimistically, where the Lisbon Treaty might make an important difference for Europe is in its recognition that aid is closely linked to other foreign policy issues; its affirmation of the importance of a unified, cohesive policy voice; and its endorsement in continuing a trend toward more delegation of authority to the field.

¶15. (SBU) While the EU's internal debate on the future framework of EU assistance has certainly begun and key Commission contacts tell us that an institutional shake-up is very likely, it seems that no definitive reform plan has yet emerged. Commission officials, perhaps still cognizant of the failure of the Constitutional Treaty, have instead adopted a "wait and see" mentality pending ratification of the Lisbon Treaty.

MURRAY